From:
 Halasz, Stephen (Austin,TX-US)

 To:
 Gary Moore/R6/USEPA/US@EPA

Cc: Richard Bergner

Subject: Falcon

 Date:
 10/12/2011 03:15 PM

 Attachments:
 Tanks 19 & 23 bottoms.JPG

Gary,

Sorry for the delayed response to your email about the progress of the Removal Action. We provided invoices to NORCO that did not provide details about the work that was being performed at the site. Since NORCO wanted to be sure that the work was associated with the Removal Action they asked for detailed invoices. They have been provided to NORCO and I'm told will be paid soon or have been paid. To date we have charged \$140,000 and Gainco has charged NORCO in excess of \$60,000. So the true expenditures to date exceed \$200,000. We have a substantial amount of sludge at the site that will require disposal, prior to dewatering that sludge the cost to disposal would have exceeded \$300,000. So we could easily be over the \$500,000 right now.

In terms of progress I'm very pleased with the work that has been completed. Tanks 2, X-1, X-2, X-3, 17, 18, 19, 21, 22 and 23 were cleaned and removed. Tank 27 which at one time was overflowing is now clean and by the end of next week Tank 10 will also be clean and either ready for re-use or removal.

While I understand your frustration with the rainwater we have done all that we could to address the situation. We along with Phil Winsor of the TCEQ feel that the TCEQ made a poor judgment in the review of our discharge application. I know you don't care how we get rid of the water, that you just want it gone by whatever proper method but the only other option we had was deep well injection. The cost of deep well injection was \$0.68 per gallon plus transportation. That would have resulted in a cost in excess of \$1.4 million. I know you've heard this before but NORCO is not a large corporation and spending \$1.4 million on water disposal is difficult to fathom.

If you were to go by the site you would see substantial progress (see attached photo) and a great deal of activity. We will provide you with our best estimate to completion after I talk to the TCEQ to get an update on the discharge permit. Please call me if you have any questions.

Stephen Halasz Program Manager



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\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\* ATTACHMENT NOT DELIVERED \*\*\*\*\*\*\*\*\*\*\*\*

This Email message contained an attachment named image001.jpg

which may be a computer program. This attached computer program could



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contain a computer virus which could cause harm to EPA's computers, network, and data. The attachment has been deleted.

This was done to limit the distribution of computer viruses introduced into the EPA network. EPA is deleting all computer program attachments sent from the Internet into the agency via Email.

If the message sender is known and the attachment was legitimate, you should contact the sender and request that they rename the file name extension and resend the Email with the renamed attachment. After receiving the revised Email, containing the renamed attachment, you can rename the file extension to its correct name.

For further information, please contact the EPA Call Center at (866) 411-4EPA (4372). The TDD number is (866) 489-4900.